

City of College Park
Department of Planning, Community, and Economic Development
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FY 2016 BUSINESS RETENTION FUND GUIDELINES

PROGRAM OVERVIEW

Program Description

Established by the City of College Park (the “City”) to retain high-quality retail tenants, the Retail Business Improvement Fund is a citywide program that reimburses existing, qualified businesses for leasehold improvements. Applicants are eligible for a matching grant, not to exceed \$5,000, for a maximum 50 percent of the total improvement costs. Grants will be awarded on a competitive basis with a submission deadline for the initial round of review. Subsequent rounds of review will be announced should funding remain available after the initial round.

The program is administered by the City and operates on a reimbursement basis. All payments to professionals, City and County departments, and contractors are the full responsibility of the applicant. The City will verify actual costs incurred by the grantee prior to reimbursement.

The program application identifies the conditions, covenants, and responsibilities for the grant and must be signed by all required applicants. The general rules, guidelines, grant terms and conditions, and process are described below.

ELIGIBILITY REQUIREMENTS

Applicants must meet the following criteria in order to be eligible for the Program:

- The business opened in the City on or before January 1, 2014.
- The business is at least 50% locally-owned, with “local” defined as the Baltimore-Washington metropolitan area and is not part of a national franchise.
- Decision-making authority in the business is vested in the local owners not subject to conditions dictated remotely.
- The business has no more than 10 outlets, all of which must be located within the Baltimore-Washington metropolitan area.
- If the applicant is not the owner of the building they must possess a fully executed lease that extends, or allows for renewal, two years beyond the submittal deadline.

- The applicant and the building in which the improvements will be made must be in good standing with the City in order to receive grant funds. This requirement is waived only in the case that the proposed improvements would also resolve outstanding code violations.
- The building must be a legally existing commercial building within the City’s municipal boundaries.

SUBMITTAL REQUIREMENTS

1. Preliminary Submittal- submitted by application deadline

- Completed and signed application form.
- Copy of executed lease for a business operating in rented premises. The lease must extend, or allow for renewal, two years beyond the submittal deadline.
- Proof of locally-owned status, as evidenced by organizational documents.
- Written consent of property owner if applicant does not own property.
- List of all improvements that will be made and a cost estimate for each.
- Estimated construction schedule.
- Copy of Prince George’s County (the “County”) Use and Occupancy Permit.

2. Secondary Submittal - submitted only if application proceeds to final review

- Copies of any construction plans and drawings, if applicable.
- Copies of agreements with contractors, if applicable.
- Construction schedule.
- Completed W-9 form.

3. Closeout Submittal - submitted at completion of work for reimbursement

- Proof of any required inspections and approvals from the County and/or the City.
- Receipts, invoices, or other evidence of payment for improvements and any other supporting records required by the City.

APPLICATION PROCESS

1. Applicant will prepare and submit the City application and the documentation required in Section 1 of the Submittal Requirements to the City’s Economic Development Coordinator (the “EDC”) by the submittal deadline.
2. The EDC will conduct a preliminary review and make an initial determination on whether the application meets the eligibility requirements.
3. Applications that meet the eligibility requirements will be ranked based on the criteria listed in the Evaluation of Applications section below.

4. The applicant will be notified whether the application is accepted for further review based on the ranking. If the application is accepted for further review, the applicant shall schedule a preliminary walkthrough of the subject building with the EDC to discuss the planned improvements. Additionally, the applicant shall submit the documentation required in Section 2 of the Submittal Requirements.
5. A notice of a final decision will be sent to the applicant allowing them to begin work.
6. Upon completion of the improvements, the applicant shall schedule a final walkthrough with the EDC to inspect the completed improvements. Additionally, the applicant shall submit the documentation required in Section 3 of the Submittal Requirements prior to disbursement of grant funds.

GRANT TERMS

Subject to the availability of funding, applicants are eligible for a matching grant, not to exceed \$5,000, for a maximum 50 percent of the total improvement costs.

If contractors are needed for the improvements, they must be licensed and insured to do business in the State of Maryland. Applicant is responsible for selecting a qualified contractor and executing the corresponding construction agreement.

All work that the applicant requests reimbursement for must be completed within 120 days of a satisfactory final decision on the application. The City may extend the 120 day period for good cause.

Grant funds will be disbursed directly to the applicant upon the following:

- Proof of any required inspections and approvals from the County and/or the City.
- Receipt, review and acceptance of all invoices or other evidence of payment for improvements and any other supporting records required by the City.
- A final walkthrough with the EDC to inspect the completed improvements

A grant under this program for the same physical space may be awarded no more than once every three (3) fiscal years, unless a compelling justification is established and approved by the City, at its sole discretion.

ELIGIBLE COSTS

Eligible Improvements

The program is intended to fund improvements that are affixed to the property, and therefore will not cover the cost of purchasing or installing non-fixed equipment or inventory. Generally

acceptable improvements include, but are not necessarily limited to, the following repairs/replacements/upgrades:

- Bar/cash wrap
- Dry wall
- Electrical
- Flooring
- Green improvements (low flow toilets, energy efficient lighting, etc.)
- Interior demolition
- HVAC
- Lighting
- Mechanical
- Painting
- Plumbing
- Storefront signs
- Windows/doors

In addition to the preceding limitations, the following terms apply to the eligible improvements:

- The City reserves the right to require certain minimum improvements as part of the program. For example, façade repainting may be required as a minimum improvement.
- All improvements must comply with all City and County building codes.
- All improvements must obtain required construction-related permits.
- Applicant is not to begin any improvements to the property before the grant is approved by the City. Improvement costs incurred prior to the grant award will not be eligible for reimbursement.
- Costs associated with detailed construction drawings, conceptual design, renderings and cost estimates are not eligible for reimbursement.

Other Eligible Costs

- All construction-related permit fees lawfully required for the tenant improvements shall be paid by applicant and considered eligible costs.
- Any modifications to the interior or exterior of the building that are required by the City.
- Labor and materials related to the eligible improvements. Receipts must be provided for all materials to be considered an eligible cost.

EVALUATION OF APPLICATIONS

Applications will be reviewed after the submittal deadline. Only complete applications will be reviewed and no late submissions will be allowed. Applications that meet the eligibility requirements will be ranked on the following criteria, with the highest scoring applications moving on to the next steps. The maximum score for an application is 25 points.

Business Commitment

- 2 point: The applicant is the owner of the building, or the applicant's lease extends five years from the submittal deadline.

Business History

- 3 points: The business has been located in College Park for more than 15 years.
- 2 points: The business has been located in College Park between 10 and 15 years.
- 1 point: The business has been located in College Park between 5 and 10 years.

Business Location

- 3 points: The business is located within Downtown College Park, the Hollywood Commercial District, or the Berwyn Commercial District.
- 2 points: The business is located along the Route 1 Corridor between Paint Branch Parkway and University Boulevard.
- 1 point: The business is located along the Route 1 Corridor north of University Boulevard.

Business Management

- 1 point: The applicant attended at least one counseling session with the Maryland Small Business & Technology Development Center after July 1, 2014.

Business Type

- 3 points: The business is a full service or quick service restaurant.
- 2 points: The business is an apparel or shoe store, bike shop, book store, flower shop, gift shop, music store, or sporting goods store.
- 1 points: The business is a barber shop, hair salon, or nail salon.

Improvement Type

- 5 points: Greater than 75% of the total improvement costs are for façade work.
- 3 points: Between 60% and 75% of the total improvement costs are for façade work.
- 1 point: Between 50% and 60% of the total improvement costs are for façade work.

Private Investment

- 5 points: The applicant and/or landlord cover greater than 80% of the total tenant improvement costs.
- 3 points: The applicant and/or landlord cover between 70% and 80% of the total tenant improvement costs.
- 1 point: The applicant and/or landlord cover between 60% and 70% of the total tenant improvement costs.

Property Management

- 1 point: The property has not been issued any code violations by the City of College Park in the preceding three years from the submittal deadline, or since the opening date of the business if less than three years.

Sustainability

- 2 points: The applicant is incorporating environmentally-friendly improvements (e.g. dual flush/low flow toilets, use of recycled materials, energy-efficient hand dryers, etc.).

MAINTENANCE OBLIGATION

Applicant shall maintain the improvements to the property in good condition and in accordance with all applicable building codes. Conditions that constitute a failure to maintain the property in good condition include, but are not limited to, peeling paint, chipped surfaces, broken windows, covered transoms or window spaces, boarded windows, excessive bird droppings or debris, graffiti and illegal or nonconforming signage, obstructed windows and conditions for which code violation notices or citations are issued.

Failure to maintain improvements will result in ineligibility of award for future grants or loan-to-grants to that individual or corporation.